

Technical Bulletin

Reporting Requirements for Owners and Operators of Communal Water Works under Section 5 of Ontario Regulation 450/07: Charges for Industrial and Commercial Water Users

PURPOSE

The purpose of this Technical Bulletin is to assist the owners and operators of communal water works in understanding their reporting obligations under section 5 of Ontario Regulation 450/07 – “Charges for Industrial and Commercial Water Users”.

THE REGULATION

Ontario Regulation 450/07

(http://www.e-laws.gov.on.ca/html/source/regs/english/2007/elaws_src_regs_r07450_e.htm)

In August 2007, the government filed Ontario Regulation 450/07 (O. Reg. 450/07): Charges for Industrial and Commercial Water Users, under the *Ontario Water Resources Act*. O. Reg. 450/07 establishes a charge of \$3.71 for every million litres of water used by highly consumptive industrial and commercial water users (referred to as phase one industrial or commercial water users).

Money collected from the charge will be used to cover a portion of the provincial government’s costs of water management activities and programs such as preparing water budgets, monitoring, and controlling takings and impacts.

Phase one industrial or commercial water users

The charge only applies to water users who meet ALL of the following criteria:

- withdraw more than 50,000 litres on any single day in a year;
- withdraw water from a water works (e.g. a municipal water works)

OR

withdraw water directly from a groundwater or surface water source and are required to hold a permit to take water (PTTW); and

- use water for commercial or industrial purposes and fall into one of the following classes of industrial and commercial facilities:
 1. Facilities that manufacture or produce bottled water or water in other containers, whether or not for use as a beverage.
 2. Beverage manufacturing facilities, where water is incorporated into a product.

3. Fruit and vegetable canning or pickling facilities, where water is incorporated into a product.
4. Ready-mix concrete manufacturing facilities.
5. Non-metallic mineral product manufacturing facilities, other than those facilities described in paragraph 4, where water is incorporated into a product.
6. Pesticide, fertilizer and other agricultural chemical manufacturing facilities, where water is incorporated into a product.
7. Inorganic chemical manufacturing facilities, other than those described in paragraph 6, where water is incorporated into a product.

Implementation of O. Reg. 450/07

The charge will apply to the total volume of water withdrawn annually by a phase one industrial and commercial water user, starting January 1, 2009. In 2010, phase one industrial and commercial water users will receive an invoice from the Ministry based on the total amount of water withdrawn by the facility in the 2009 calendar year. The information provided by the owners or operators of communal water works under section 5 of the Regulation and by the phase one industrial and commercial water users under section 4 of the Regulation will allow the Ministry to calculate the amount of the total charge (annual volume of water withdrawn x \$3.71 per million litres) for each phase one industrial and commercial water user. The Government will invoice and collect the charge directly from the phase one industrial or commercial water user.

REPORTING

Reporting Requirements under O. Reg. 450/07

Section 5 of O. Reg. 450/07, requires owners and operators of communal water works to report up to date information to the Ministry each year on industrial and commercial water users connected to the water works by March 31. This reporting requirement applies only to water works that provide water to other industrial or commercial water users. In an effort to ease reporting requirements, water works owners need only report those facilities that exceed **7.3 million litres/year**. This annual threshold reasonably captures facilities that may have exceeded the 50,000 litres/day threshold while accounting for seasonal users.

The owner or operator of a communal water works is required to report the following information regarding all the industrial and commercial water users to which they provide water:

- The name of every facility that is connected to the water works that uses water for commercial or industrial purposes (Please refer to page 3 for examples of industrial and commercial water users).
- The account number used to charge the facility for its water use for each commercial or industry facility.
- The facility address (where the meter is located) of each industrial or commercial facility
- The billing address of each industrial or commercial facility.
- Any information the water works has that describes the industrial or commercial purpose for which the facility uses water
- The amount of water the facility used in the previous calendar year (or other 12-month period as specified by the Ministry Director).

The Ministry Director may also request the owner or operator of a water works to supply such additional information as the Director may specify in writing to assist in determining whether a facility is a phase one industrial or commercial water user, and the amount of water a facility used in the previous calendar year or other 12-month period.

Industrial and commercial water users

Although the charge only applies to phase one industrial or commercial water users, owners and operators of water works must report information for ALL industrial and commercial water users that draw water from their works and exceeds the 7.3 million litres of water/year threshold. Based on the information provided by the water works, the Ministry will determine whether a particular facility connected to a water works is a phase one industrial or commercial water user.

The list below provides some examples of industrial and commercial facilities; however, the report under section 5 must include information on ALL industrial and commercial water users connected to the water works.

COMMERCIAL/INDUSTRIAL SECTORS	EXAMPLES OF SUB-SECTORS
ARTS, ENTERTAINMENT & RECREATION	Horse Race Tracks, Theme Parks, Golf Courses, Ski Hills & Resorts, Recreational Sports Centres
MANUFACTURING	Food Manufacturing (e.g.: Animal Food, Fruit & Vegetable, Dairy)
	Beverage Manufacturing (e.g.: Bottled Water, Breweries, Wineries)
	Textile Manufacturing (e.g.: Fibre, Yarn & Thread Mills)
	Wood Products Manufacturing (e.g.: Sawmills, Plywood, & Other Engineered Wood Products)
	Pulp & Paper Products Manufacturing (e.g.: Pulp & Paper Mills, Tissue & Other Converted Paper Products)
	Petroleum Products Manufacturing (e.g.: Petroleum Refineries, Asphalt Products, Other Inorganic Chemicals)
	Chemical, Plastic, Rubber Products Manufacturing (e.g.: Resins & Synthetic Rubber, Chemical Fertilizers, Pharmaceuticals)
	Non-Metallic Mineral Products Manufacturing (e.g.: Clay Building Materials, Cement Manufacturing, Ready-Mix Concrete, Lime Products, Gypsum Products, Other Non-Metallic Mineral Products)
	Iron & Steel Products Manufacturing (e.g.: Iron & Steel Mills)
	Metal, Machinery, Computer, Electronic Equipment Products Manufacturing (e.g.: Machine Shops, Bolts and Nuts, Coating, Engraving & Heat Treating, Metal Valves, Other Machinery)
	Transportation Equipment Manufacturing (e.g.: Motor Vehicle Parts, Aerospace Products)
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	Testing Laboratories, Research & Development in Physical, Engineering and Life Sciences
RETAIL SERVICES	General Retail, Gasoline Stations
TRANSPORTATION	Airport Operations, Marine Cargo Handling
WASTE MANAGEMENT	Waste Treatment & Disposal

Non-commercial water users

The *Ontario Water Resources Act* only authorizes this regulatory charge to be applied to industrial and commercial water users. Thus, the charge cannot apply to non-commercial uses such as, domestic and institutional water uses, including water used for environmental remediation purposes. Some types of non-commercial uses that could not be charged include:

- drinking water for residential purposes (e.g. private residences, apartment buildings),
- institutional uses (e.g., schools, health care and social services, such as hospitals, and nursing care facilities)
- creating wetlands,
- reservoirs (non-hydropower), and
- wildlife conservation.

These non-commercial water users do not have to be included in the report under section 5 of the Regulation.

REPORT SUBMISSION

How to submit water use data

Data may be submitted either by mail or electronically. Please refer to your Ministry contact for electronic submission options. If you do not have a Ministry contact please contact the Water Charges program Coordinator (Sergio Correia) listed at the end of this document.

For the purposes of electronic reporting under section 5 of O. Reg. 450/07, owners and operators of water works are requested to organize the data into data fields. In order to ensure a standard reporting format, the Water Works Reporting Template, available on the Ministry's website:

<http://www.ene.gov.on.ca/envision/water/pttw.htm>, has been developed. This template is a Microsoft Excel document that details each data field that should be provided, the field name and examples of what should be entered into a particular field. The Water Works Reporting Template file has four worksheets or tabs:

1. Reporting Instructions: provides instructions on data entry and report submission.
2. Field Descriptions: provides a summary of the details on the required layout of the data report, including all field names and field name descriptions.
3. Water Works Report Entry: the template used to enter your water user data
4. Allowable Values: provides standard values that may be entered into specified fields in the Water Works Report Entry template (e.g. "QC" for billing province)

The following table provides an overview and general description of the data fields; however, the Water Works Reporting Template file should be used to determine the precise submission requirements, including the complete list of fields.

List of selected fields for data submission under section 5 of O.Reg. 450/07

Data Field Required	Description	Example
Water Works Name	The name of the water works supplying water to the commercial/industrial facility.	Whitby Water Treatment Plant (for municipal water works) or Acme Water Works (for non-municipal water works)
Facility Company Name	The name of the company to which water is supplied. If you do not have this information, please put Billing Company Name here. (The company name as it appears on the water works invoice)	Acme Industries (Cobourg Plant)
Facility Account Number	The account number used by the water works to charge the commercial/industrial facility as it appears on the customers water bill.	1234-ABCD
Meter Cycle	The frequency of meter reading for the commercial/industrial facility	Quarterly
Annual Facility Water Use	The volume of water used by the commercial/industrial facility annually for the previous calendar year	18,250,000
Water Volume Unit	The unit of measure for the volume of water reported.	L = Litres
Purpose of Water Use	0 (Unknown) 1 (Facilities that manufacture or produce bottled water or water in other containers, whether or not for use as a beverage) 2 (Beverage manufacturing facilities, where water is incorporated into a product) 3 (Fruit and vegetable canning or pickling facilities, where water is incorporated into a product) 4 (Ready-mix concrete manufacturing facilities) 5 (Non-metallic mineral product manufacturing facilities, other than those facilities described in paragraph 4, where water is incorporated into a product) 6 (Pesticide, fertilizer and other agricultural chemical manufacturing facilities, where water is incorporated into a product) 7 (Inorganic chemical manufacturing facilities, other than those described in paragraph 6, where water is incorporated into a product) 8 (Multiple water uses from above categories)	2 Beverage manufacturing facility
Facility Address	Address details where the meter is located. This is also referred to as the site or service address.	11-123 Maple Lane, Etobicoke, ON, A1A 1A1

All fields in the Water Works Reporting Template are mandatory unless the information is not available or not applicable.

Information submitted to Ministry shall be treated in accordance with FIPPA

O. Reg. 450/07 requires owners and operators of water works to report information described in the regulation (see section 5) about their industrial and commercial customers. The information provided by municipalities will be used by the Ministry to charge the appropriate water users as specified in Ontario Regulation 450/07.

All information submitted to the Ministry will be treated in accordance with the requirements stipulated in the Freedom of Information and Privacy Protection Act (FIPPA). These requirements are similar to the requirements under the Municipal Freedom of Information and Privacy Protection Act (MFIPPA).

For more information, please contact:

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